

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3913
ANSWERED ON:17.08.2000
COMMITTEE ON INTERNATIONAL TRADE OF TEXTILE
SANJAY PASWAN

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government have constituted a Committee under the Chairmanship of Textile Secretary to study the challenges after abolishing the quota system in trade of textile;
- (b) if so, details thereof along with area of study of the Committee;
- (c) whether the Committee will study keeping in view the collective transport, labour relations, quality of textile, banking business, welfare of labourers and the problems of workers;
- (d) if so, the steps taken by the Government to make Indian Textile Industry competitive in international market; and
- (e) if so, the details of provisions, efforts suggested by the Committee to increase the export of textile ?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI GINGEE N. RAMACHANDRAN)

(a)to(e) No, Sir. However, Apparel Export promotion Council (AEPC) has set up `Apparel Millenium Committee` and Secretary (Textiles) has consented to the request of the Council to chair the same.

The terms and reference of the Committee drawn up by AEPC are as follows:-

- (i) To ascertain and to suggest formation of policies for creation of a data Bank in the area of fabric manufacturing, fabric processing in India which are fit for readymade garment exports industry.
- (ii) To suggest policies and to ascertain quantum, the type and process of fabrics imported in the country meant for re-exports as garments; and to ascertain indigenous production and process of these fabrics in India.
- (iii) To suggest policies to create a Data Bank of the available stitching capacities and to suggest modernisation index for textile processing and fabric production; to suggest modernisation index of the garment industry and for those industries which are backwardly integrated.
- (iv) To understand and incorporate policies being followed by leading competing countries in the area of imports and exports, manufacturing, custom procedures, market techniques and to suggest short term as well as long term measures to overcome the problems.
- (v) To suggest relevant policies changes in labour laws relevant to garment manufacturers for a smooth and homogenous working atmosphere; to understand the prevalent in competing countries; their labour laws; minimum wages; perquisite and issues related to labour productivity, etc.

Government have been taking several steps from time to time to make Indian Textile Industry competitive in international market. Some of the important initiatives taken specifically in respect of the textile sector are as under:

- 1) The Technology Upgradation Fund Scheme has been made operational with effect from 1-4-1999 to facilitate the modernization and Upgradation of this sector.
- 2) The current Export Entitlement (Quota) Policy for the period 2000-2004 is expected to provide stability with continuity and encourage competitiveness in textile exports.
- 3) Non-Quota Entitlement (NQE) System for encouraging non-quota exports to quota and non-quota countries has been retained to boost exports in apparel sector-value added segment of Indian textiles.
- 4) The facility to import capital goods under Export Promotion Capital Goods (EPCG) Scheme at 5% concessional rate of duty.
- 5) Exports of cotton yarn by Export Oriented Unit (EOU)/Export Promotion Zone (EPZ)/EPCG units has been liberalised.

6) Zero Duty import of certain categories of trimmings & embellishments has been allowed.